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Village of Rosedale, Louisiana

Annual Financial Statements

Year ended December 31, 2007

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Release Date 7/9/08

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the Board of Aldermen
Village of Rosedale, Louisiana

I have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Rosedale, Louisiana, as of and for the year ended December 31, 2007, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, and each major fund of the Village of Rosedale, Louisiana as of December 31, 2007, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 5 through 11 and budgetary comparison schedules on pages 31 and 32 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, I have also issued my report dated June 25, 2008 on my consideration of the Village of Rosedale's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

My audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the Village of Rosedale, Louisiana's basic financial statements. Management's Discussion and Analysis, and the budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The budgetary comparison schedules have been subjected to auditing procedures applied in the audit of the basic financial statements and, in my opinion are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

W. Kathleen Beard

Certified Public Accountant

June 25, 2008

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and
Members of the Board of Aldermen
Village of Rosedale, Louisiana

I have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the of the Village of Rosedale, Louisiana, as of and for the year ended December 31, 2007, which collectively comprise the Village of Rosedale's basic financial statements, and have issued my report thereon dated June 25, 2008. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Village of Rosedale, Louisiana's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of Rosedale, Louisiana's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Village of Rosedale, Louisiana's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Village of Rosedale, Louisiana's ability to initiate, authorize, record, process, or report financial data reliably, in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Village of Rosedale, Louisiana's financial statements that is more than inconsequential will not be prevented or detected by the Village of Rosedale, Louisiana's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Village of Rosedale, Louisiana's internal control.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses as defined above.

Compliance

As part of obtaining reasonable assurance about whether the Village of Rosedale, Louisiana's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of the mayor and members of the Board of Aldermen of the Village of Rosedale, Louisiana and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

W. Kathleen Beard

Certified Public Accountant

June 25, 2008

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ROSEDALE

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) As of and for the Year Ended December 31, 2007

Our analysis of the Village of Rosedale's financial performance provides an overview of the Village's financial activities for the year ended December 31, 2007. Please read it in conjunction with the Village's financial statements, which begin on page 12. The Management's Discussion and Analysis (MD&A) focuses on the current year's activities, resulting changes, and currently known facts.

Using This Annual Report

With the implementation of Governmental Accounting Standards Board Statement No. 34 (GASB 34), a government's presentation of financial statements has been greatly changed. This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 12 and 13) provide information about the activities of the Village as a whole and present a longer-term view of the Village's finances. This information is presented in a way to determine if the Village is in better condition as a result of the year's financial operations. Fund financial statements start on page 14. For governmental activities, these statements provide information on how these activities were financed in the short-term as well as what remains for future spending. Fund financial statements report the Village's operations in more detail than the government-wide statements.

Reporting on the Village as a Whole

Our analysis of the Village as a whole begins on page 7 with the Statement of Net Assets and the Statement of Activities. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Village's net assets and changes in them. Net assets – the difference between assets (what the Village owns) and liabilities (what the Village owes) is a way to measure the financial position of the Village. Over time, increases or decreases in the Village's net assets are one indicator of whether the Village's financial position is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Village's sales tax base and the condition of the village's roads and buildings, to assess the overall position of the Village.

In the Statement of Net Assets and the Statement of Activities, the Village is divided into two kinds of activities:

Governmental activities – Most of the Village's basic services are reported here, including public safety, roads and street, debt service and general administration. Sales taxes, franchise fees, occupational licenses and federal and state grants finance most of these activities.

Business-type activities – The Village charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Village's water system is reported here.

Reporting the Village's Most Significant Funds

Our analysis of the Village's major funds begins on page 9. The fund financial statements provide more detailed information about the most significant funds – not the Village as a whole. Some funds are required to be established by State law and by bond covenants. However, the Village Board of Aldermen establishes other funds to help it control and manage money for particular purposes or to meet legal responsibilities for using certain taxes, grants and other money. The Village's two kinds of funds – *governmental* and *proprietary* – use different accounting approaches.

Governmental funds – Governmental funds focus on how money flows into and out of the funds and the balances left at year-end that are available for spending. Most of the Village's basic services are reported in governmental funds. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term* view of the Village's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Village's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* in a reconciliation following the fund financial statements.

Proprietary funds – When the Village charges customers for the services it provides – whether to outside customers or to other units of the Village – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the Village's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash-flows, for proprietary funds.

Notes to the financial statements – The notes provide additional information that is essential to fully understand the data provided in the government-wide and fund financial statements. The notes to the financial statements are a required part of the basic financial statements.

Other information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning original and budgetary comparisons to actual results for the year for the Village's most significant funds.

FINANCIAL HIGHLIGHTS

The major financial highlights for 2007 are as follows:

- Assets of the Village's primary government exceeded its liabilities at the end of the year by approximately \$2,616,509 (net assets). Of this amount, approximately \$542,100 (unrestricted) may be used without restrictions to meet the Village's ongoing obligations to its citizens and creditors. \$230,900 is restricted by the Special Revenue – Fire Protection fund committed to fire protection.
- The primary government's total net assets increased by approximately \$168,500 during 2007.
- Governmental activities' net assets increased by approximately \$173,950, primarily from increases in sales tax revenues of \$97,750 and interest income of \$11,100. During 2006, voters approved a one percent (1%) sales tax increase, 1/3% each effective January 1, 2007, 2008 and 2009. Receipt of these funds began in March 2007.
- Business-type net assets decreased by approximately \$5,500.

COMPARATIVE ANALYSIS OF FINANCIAL DATA

Detailed below is an analysis of the Village's Statement of Net Assets.

VILLAGE OF ROSEDALE Statement of Net Assets December 31, 2007 and 2006

	Governmental Activities	Business-type Activities	Total 2007	Total 2006
Current and other Assets	\$ 562,274	\$ 20,100	\$ 582,374	\$ 467,763
Capital Assets	1,378,333	696,001	2,074,334	2,050,103
Total assets	1,940,607	716,101	2,656,708	2,517,866
Current and other liabilities	35,986	4,214	40,200	69,855
Total liabilities	35,986	4,214	40,200	69,855
Net assets:				
Invested in capital assets,				
Net of related debt	1,147,413	696,001	1,843,414	1,895,058
Restricted	230,921	-	230,921	155,048
Unrestricted	526,287	15,886	542,173	397,907
Total net assets	\$ 1,904,621	\$ 711,888	\$ 2,616,509	\$ 2,448,013

Net assets of the Village's governmental activities increased by 10.05%, or \$173,954 during 2007. The \$526,287 in unrestricted net assets of governmental activities represents the accumulated result of operations.

The net assets of the Village's business-type activities decreased by approximately \$5,500, or 1.0% during 2007. The Village operated two water wells and a water distribution system. During 2007, one well became inoperable. System improvements in prior years were funded through grants through the Governor's Office of Community Development, Louisiana Community Development Block Grant (LCDBG) program, and through the Governor's Office of Rural Development program. These grant funds allowed the Village to adjust its user fees to a lower level and to pass these savings on to system customers. Depreciation associated with these improvements (approximately \$51,500) is not recovered through user fees, resulting in a deficit in operations of approximately \$43,000.

The results of the year's operations for the primary government as a whole as reported in the statement of Changes in Net Assets, are as follows:

VILLAGE OF ROSEDALE
Changes in Net Assets
For the Year Ended December 31, 2007 and 2006

	Governmental Activities	Business-type Activities	Total 2007	2006
Revenues:				
Program Revenues:				
Charges for services	\$ 11,569	\$ 47,611	\$ 59,180	\$ 57,536
Capital grants and contributions	27,800	-	27,800	75,357
General Revenues:				
Sales taxes	566,543	-	566,543	468,797
Other general revenues	48,646	1,328	49,974	67,233
Total revenues	654,558	48,939	703,497	668,924
Functions/Program expenses:				
General government	132,229	-	132,229	139,057
Public safety	142,276	-	142,276	148,146
Public services	202,906	-	202,906	133,338
Culture and recreation	3,193	-	3,193	3,193
Utility operations	0	54,396	54,396	74,778
Interest on long-term debt			-	-
Total expenses	480,604	54,396	535,000	498,512
Increase (Decrease) in net assets	173,954	(5,457)	168,497	170,411
Beginning net assets	1,730,668	717,345	2,448,013	2,277,601
Ending net assets	\$ 1,904,622	\$ 711,888	\$ 2,616,510	\$ 2,448,013

The increase in net assets during 2007 of approximately \$168,500 primarily relates to increases in sales tax revenues and in interest income. Also, the Village recorded depreciation associated with governmental capital assets of approximately \$107,500.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

General government operations of the Village are accounted for in the General Fund and Special Revenue – Fire Protection Fund. The focus of these funds, as noted earlier, is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. The following is a summary of general governmental operations for the year ended December 31, 2007, by fund type:

Financial Analysis of the Government's Funds

	General Fund	Special Revenue- Fire Protection Fund	Total 2007	Total 2006
Revenues	\$ 560,240	\$ 132,299	\$ 692,539	\$ 591,981
Expenditures	422,002	60,777	482,779	381,129
Surplus (deficit)	138,238	71,522	209,760	210,853
Transfers in (out)	(41,931)	4,350	(37,581)	(8,565)
Surplus (deficit) after Transfers in (out)	96,307	75,873	172,180	202,288
Fund balance, January 1, 2007	188,413	155,048	343,461	141,173
Fund Balance, December 31, 2007	\$ 284,720	\$ 230,921	\$ 515,641	\$ 343,461

The Village's governmental funds experienced an increase of \$172,180 in 2007. At year end, fund balances were approximately \$515,640. Approximately \$284,700 is unrestricted and available to meet the Village's obligations to its citizens. The remainder is restricted to fire protection activities.

The General Fund is the chief operating fund of the Village. At the end of 2007, fund balance in the General Fund was approximately \$284,700 compared to \$188,400 at the end of 2006.

The Village's other major fund is the Special Revenue – Fire Protection Fund. Sources of revenues are summarized below.

Special Revenue - Fire Protection Fund

Source of Revenue

	2007		2006	
	Revenues	Percent	Revenues	Percent
Sales Taxes	\$ 122,220	92%	\$ 119,114	79%
Intergovernmental Revenue - FEMA Grant	-	0%	\$ 27,587	18%
Interest on Investment	8,238	6%	4,479	3%
Miscellaneous income	341	0%	-	0%
Sale of capital asset	1,500	1%	-	0%
Total	\$ 132,299	99%	\$ 151,180	100%

The primary source of revenue in the Special Revenue-Fire Protection Fund is from sales taxes. Sales tax revenues of \$122,200, \$8,238 in interest on investment, \$1,500 from the sale of assets, and \$341 from miscellaneous revenue make up the total \$132,299 in Special Revenue – Fire Protection Fund revenues.

Expenditures for general governmental functions for each major function are summarized below.

Summary of General Government expenditures				
Function	2007		2006	
	Expenditures	Percent	Expenditures	Percent
General government	\$ 121,594	29%	\$ 112,029	41%
Public safety	28,036	7%	28,688	10%
Public services	174,334	41%	112,607	41%
Capital outlay	98,039	23%	22,440	8%
Total	\$ 422,003	100%	\$ 275,764	100%

BUDGETARY HIGHLIGHTS

During the year, the Village's General Fund and Special Revenue - Fire Protection Fund budgets were amended once. Amending the budget is a customary practice of municipalities to reflect changes that occur with financially related matters throughout the year. The most significant changes during 2007 were as follows:

- The General Fund budget was amended once primarily to reflect anticipated increase in receipts of sales tax revenues and other taxes and licenses of approximately \$136,000, an increase in interest on investments of \$6,000, a decrease in anticipated fines and forfeitures of approximately \$3,000, and expected grant revenue of \$27,800.
- The Special Revenue - Fire Protection Fund was amended primarily to reflect anticipated increase in sales tax funds of approximately \$32,000, and increase in interest on investment of \$4,500.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Village's net capital assets at year-end 2007 were as follows:

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets (net of accumulated depreciation)

The Village's net capital assets at year-end 2007 were as follows:

	Governmental Activities 2007	Business-type Activities 2007	Total Primary Government 2007	Total Primary Government 2006
Land	\$ 151,373	\$ -	\$ 151,373	\$ 151,373
Construction in Progress	-	-	-	44,035
Buildings	352,993		352,993	367,335
Vehicles and equipment	289,441	37,215	326,656	350,500
Utility plant	-	658,786	658,786	588,424
Improvements other than buildings	584,527		584,527	548,439
Total assets, net of depreciation	<u>\$ 1,378,334</u>	<u>\$ 696,001</u>	<u>\$ 2,074,335</u>	<u>\$ 2,050,106</u>

There were three major projects ongoing during 2007 in governmental activities:

Completion of installation of culverts, phase two and three of LA 76 project	\$ 43,600
Completion of installation of culverts, Deer Buck Run project	\$ 26,550
Installation of a stand-by generator and chlorination equipment	\$ 83,600

Debt Administration

There were no long-term debts outstanding for the year ending December 31, 2007.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Many factors must be considered when setting the next year's budget, mainly the economy. An important factor affecting the Village of Rosedale's budget is anticipated sales tax collections. The Village participates in a parish-wide sales and use tax. The largest taxpayers in the parish are primarily companies involved in the petrochemical processing industry located throughout Iberville Parish. These industries, along with agricultural operations, can significantly impact the Village's revenues. Prospects for 2008 from a sales tax perspective are not as rosy as in prior years. Several major construction projects in the parish are being completed and sales tax revenues will decrease; hopefully not significantly.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the Village's finances and to show accountability for the money it receives. If you have any questions about this report, contact the Village Clerk's office at (225) 648-2333, or write to the Village of Rosedale, Post Office Box 167, Rosedale, LA 70772.

BASIC FINANCIAL STATEMENTS

**Village of Rosedale
Statement of Net Assets
December 31, 2007 and 2006**

	Primary Government			
	Governmental Activities	Business-type Activities	2007 Totals	2006 Totals
ASSETS:				
Cash and cash equivalents				
Cash on hand and in banks	\$76,778	\$8,126	\$84,904	\$116,348
Investment in LAMP	419,826	6,353	426,179	271,739
Accounts receivable (net)				
Franchise	5,904	0	5,904	5,691
Others	42	4,697	4,739	4,215
Due from other governments	49,077	0	49,077	59,100
Due from other funds	0	75	75	0
Prepays	10,647	849	11,496	10,670
Capital assets, net of accumulated depreciation	1,378,334	696,001	2,074,336	2,050,103
Total assets	1,940,608	716,102	2,656,710	2,517,868
LIABILITIES:				
Accounts payable	15,630	1,635	17,265	17,170
Contracts payable	0	2,450	2,450	38,285
Accrued liabilities	5,808	129	5,937	5,408
Due to other funds	75	0	75	0
Due to other governments	0	0	0	3,102
Compensated absences payable	7,974	0	7,974	5,890
Refundable advances	6,500	0	6,500	0
Total liabilities	35,986	4,214	40,200	69,855
NET ASSETS:				
Invested in capital assets, net of related debt	1,147,413	696,001	1,843,415	1,895,058
Restricted	230,921	0	230,921	155,048
Unrestricted	526,288	15,886	542,174	397,907
Total net assets	\$1,904,622	\$711,888	\$2,616,510	\$2,448,013

The accompanying notes to the financial statements are an integral part of this statement

Village of Rosedale
Statement of Activities
For the Year Ended December 31, 2007 and 2006

Functions/Programs	Program Revenues			Net (Expense)Revenue and Changes in Net Assets		
	Expenses	Operating		Governmental Activities	Business-type Activities	2006 Total
		Charges for Services	Grants and Contributions			
Primary government:						
Governmental activities -						
General government	132,229	0	0	(132,229)	0	(139,057)
Public safety	142,276	4,375	0	(137,901)	0	(107,851)
Public services	202,906	7,194	27,800	(167,912)	0	(122,051)
Culture and recreation	3,193	0	0	(3,193)	0	(3,193)
Interest on long-term debt	0	0	0	0	0	0
Total governmental activities	480,604	11,569	27,800	(441,235)	0	(372,151)
Business-type activities -						
Water utilities	91,977	47,611	0	0	(44,366)	6,533
Total business-type activities	91,977	47,611	0	0	(44,366)	6,533
General revenues						
General purpose sales and use tax				444,323	0	349,683
Public safety sales and use tax				122,220	0	119,114
Franchise taxes				31,495	0	32,240
Occupational license				19,471	0	18,672
Building permits				905	0	
Other taxes				2,274	0	1,175
Investment income				18,112	1,328	8,312
Other income				12,871	0	6,834
Special items - Gain on sale of capital assets				1,100	0	0
Transfers				(37,581)	37,581	0
Total general revenues and transfers				615,189	38,909	536,030
Change in net assets				173,954	(5,457)	170,411
Net assets, January 1, 2007				1,730,668	717,345	2,277,601
Net assets, December 31, 2007				\$1,904,622	\$711,888	\$2,448,013

The accompanying notes to the financial statements are an integral part of this statement.

Village of Rosedale, Louisiana
Balance Sheet
Governmental Funds
December 31, 2007 and 2006

	General Fund	Special Revenue Fire Protection Fund	2007 Total	2006
ASSETS				
Cash and cash equivalents -				
Cash on hand and in banks	\$26,273	\$50,505	\$76,778	\$77,471
Investments in LAMP	240,324	179,502	419,826	231,713
Receivables -				
Franchise taxes	5,904	0	5,904	5,691
Other receivables - employees	42	0	42	42
Due from other governments	40,743	8,334	49,077	59,100
Total Assets	\$313,286	\$238,341	\$551,627	\$374,017
LIABILITIES AND FUND BALANCES				
Accounts payable	\$14,831	\$798	\$15,630	\$16,201
Accrued liabilities	5,686	122	5,808	5,363
Due to other funds	75	0	75	0
Due to other governments	0	0	0	3,102
Liabilities for compensated absences	7,974	0	7,974	5,890
Refundable advances	0	6,500	6,500	0
Total Liabilities	28,566	7,420	35,986	30,556
Fund Balances -				
Restricted	0	230,921	230,921	155,048
Unrestricted	284,720	0	284,720	188,413
Total Fund Balances	284,720	230,921	515,641	343,461
Total Liabilities and Fund Balances	\$313,286	\$238,341	\$551,627	\$374,017

The accompanying notes to the financial statements are an integral part of this statement.

Village of Rosedale
Reconciliation of the Balance Sheet to the Statement of Net Assets
Governmental Funds
December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Fund Balances - total governmental funds	\$ 515,641	\$ 343,461
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets used in governmental activities are not financial resources therefore are not reported in governmental funds		
Governmental capital assets	2,530,545	2,424,550
Less: accumulated depreciation	<u>(1,152,211)</u>	<u>(1,047,290)</u>
	1,893,975	1,720,721
Prepaid insurance premiums in governmental activities are not recognized as expenditures for governmental funds	<u>10,647</u>	<u>9,947</u>
Net Assets of Governmental Funds	<u><u>\$1,904,622</u></u>	<u><u>\$1,730,668</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

Village of Rosedale, Louisiana
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Years ended December 31, 2007 and 2006

	General Fund	Special Revenue Fire Protection Fund	Total	2006
REVENUES:				
Taxes and licenses	\$51,871	\$0	\$51,871	\$50,912
Intergovernmental revenue	477,794	122,220	600,014	512,562
Charges for services	7,194	0	7,194	6,898
Fines and forfeitures	4,375	0	4,375	5,312
Interest income	9,874	8,238	18,112	6,636
Miscellaneous	9,133	341	9,474	5,655
Donations	0	0	0	0
Sale of fixed assets	0	1,500	1,500	4,007
	<hr/>			
Total revenues	560,240	132,299	692,539	591,982
EXPENDITURES:				
Current -				
General government	121,594	0	121,594	112,029
Public safety	28,036	49,821	77,857	94,030
Public works	174,334	0	174,334	112,607
Capital outlay	98,039	10,955	108,994	62,463
	<hr/>			
Total expenditures	422,002	60,777	482,779	381,129
	<hr/>			
Excess Revenues Over (Under) Expenditures	138,238	71,523	209,761	210,853
OTHER FINANCING SOURCES (USES):				
Transfers in	0	4,350	4,350	5,701
Transfers (out)	(41,931)	0	(41,931)	(14,266)
	<hr/>			
Total Other Financing Sources (Uses)	(41,931)	4,350	(37,581)	(8,565)
	<hr/>			
Net Change in Fund Balances	96,307	75,873	172,180	202,287
FUND BALANCE:				
Beginning of Year	188,413	155,048	343,461	141,173
	<hr/>			
End of Year	\$284,720	\$230,921	\$515,641	\$343,460
	<hr/>			

The accompanying notes to the financial statements are an integral part of this statement.

Village of Rosedale
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances to the Statement of Activities
Governmental Funds
Year Ended December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Net Change in Fund Balances - total governmental funds	\$ 172,180	\$ 202,287
Amounts reported for governmental activities in Statement of Net Assets are different because:		
Expenditures in the Statement of Activities that do not use current financial resources are not reported as expenditures in the funds		
Current year	10,647	9,947
Prior year	(9,947)	(9,265)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives:		
Expenditures for capital assets	108,994	62,463
Less current year depreciation	(107,520)	(105,749)
Governmental funds report income from equal to the proceeds from sale of capital assets whereas, the Statement of Activity reports gain or loss which reflects book value of assets when sold.		
	<u>(400)</u>	<u>(6,046)</u>
Net difference	<u>1,774</u>	<u>(48,650)</u>
Change in Net Assets of Governmental Funds	<u><u>\$173,954</u></u>	<u><u>\$153,637</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

**Village of Rosedale
Statement of Net Assets
Proprietary Funds
For the Year Ended December 31, 2007 and 2006**

**- Business-type Activities -
Enterprise Fund - Water System**

ASSETS	2007	2006
Current assets -		
Cash and cash equivalents - Cash on hand and in checking	\$8,126	\$38,877
Cash and cash equivalents - LAMP	6,353	40,025
Accounts receivable	4,697	4,173
Due from other funds	75	0
Prepaid expenses	849	723
	<hr/>	<hr/>
Total Current Assets	20,100	83,797
Noncurrent assets -		
Capital assets		
Construction in progress	0	44,035
Distribution systems	1,220,396	1,104,311
Property and equipment	58,811	56,254
Less: accumulated depreciation	(583,206)	(531,754)
	<hr/>	<hr/>
Property and equipment, net	696,001	672,846
	<hr/>	<hr/>
Total Noncurrent Assets	696,001	672,846
	<hr/>	<hr/>
Total Assets	\$716,102	\$756,643
	<hr/> <hr/>	<hr/> <hr/>
LIABILITIES		
Current liabilities -		
Accounts payable	\$1,635	\$969
Contracts payable	2,450	38,285
Accrued liabilities	129	45
Due to other funds	-	-
	<hr/>	<hr/>
Total Current Liabilities	4,214	39,299
	<hr/>	<hr/>
Total Liabilities	4,214	39,299
	<hr/>	<hr/>
NET ASSETS		
Invested in capital assets, net of related debt	696,001	672,846
Unrestricted	15,886	44,499
	<hr/>	<hr/>
Total Net Assets	\$711,888	\$717,345
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes to the financial statements are an integral part of this statement.

Village of Rosedale, Louisiana
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Fund
Year ended December 31, 2007 and 2006

- Business-type Activities -
Enterprise Fund - Water System

	2007	2006
OPERATING REVENUES		
Charges for services	\$44,876	\$43,566
Connection/reconnection fees	2,525	1,625
Miscellaneous income	210	135
Total Operating Revenue	47,611	45,326
OPERATING EXPENSES		
Personnel services	11,281	8,565
Maintenance, operations and supplies	13,083	6,841
Water purchases	508	411
Current used in pumping	6,247	7,738
Office, postage and communications expense	3,562	2,591
Insurance	3,914	2,305
Contractual services	1,930	1,190
Depreciation	51,452	45,137
Total Operating Expense	91,977	74,778
Operating Income (Loss)	(44,366)	(29,452)
NON-OPERATING REVENUES (EXPENSES)		
Grant revenue - Dept. Homeland Security	0	35,985
Interest income	1,328	1,676
Total Nonoperating Revenues (Expenses)	1,328	37,661
Income (Loss) before transfers	(43,038)	8,209
Transfers in - General fund	37,581	8,565
Change in net assets	(5,457)	16,774
Total net assets, beginning of year	717,345	700,571
Total net assets, end of year	\$711,888	\$717,345

The accompanying notes to the financial statements are an integral part of this statement.

Village of Rosedale, Louisiana
Statement of Cash Flows
Proprietary Fund
Year ended December 31, 2007 and 2006

	- Business-type Activities - Enterprise Fund - Water System	
	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	47,087	44,956
Cash payments for goods and services	(28,696)	(20,814)
Cash payments for salaries	(11,281)	(8,565)
Net Cash Provided by (Used for) Operating Activities	<u>7,111</u>	<u>15,577</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers in from general fund	37,581	8,565
Net Cash Provided by (Used for) Noncapital financing activities	<u>37,581</u>	<u>8,565</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Dept. Homeland Security grant proceeds	0	35,985
Acquisition and construction of capital assets	(110,442)	(48,776)
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(110,442)</u>	<u>(12,791)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on Investments	1,328	1,676
Net Cash Provided by (Used for) Investing Activities	<u>1,328</u>	<u>1,676</u>
INCREASE (DECREASE) IN CASH	<u>(64,423)</u>	<u>13,026</u>
CASH AND CASH EQUIVALENTS, BEGINNING	<u>78,901</u>	<u>65,875</u>
CASH AND CASH EQUIVALENTS, ENDING	<u><u>\$ 14,478</u></u>	<u><u>\$ 78,901</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
Operating income (loss)	(44,366)	(29,452)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:		
Depreciation	51,452	45,137
Net Changes in Assets and Liabilities -		
(Increase) decrease in accounts receivable - customers	(524)	(370)
(Increase) decrease in prepaid expenses	(127)	125
(Increase) decrease in due from other funds	(75)	129
Increase (decrease) in accounts payable	666	88
Increase (decrease) in accrued liabilities	84	(3)
Increase (decrease) in due to other funds	0	(77)
Total adjustments	<u>51,477</u>	<u>45,029</u>
Net Cash provided by (used for) operating activities	<u><u>\$ 7,111</u></u>	<u><u>\$ 15,577</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2007

Introduction

The Village of Rosedale was incorporated August 2, 1955, under the provisions of Title 33, Chapter 2, Part 1, of the Louisiana Revised Statutes (Lawrason Act - Act No. 36 of 1898). The "Village" operates under a Mayor - Board of Aldermen form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, recreation, public improvements, and general administrative services.

1. Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying basic financial statements of the Village have been prepared in conformity with governmental accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the Village has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Village has chosen not to do so. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, issued in June 1999.

B. Reporting Entity

The Village's basic financial statements include the accounts of all Village operations. For financial reporting purposes, in conformance with GASB's Codification of Governmental Accounting and Financial Reporting Standards, and Financial Reporting Standards, the Village includes all funds that are controlled by the Village.

GASB Statement No. 14, *The Financial Reporting Entity*, established criteria for determining which component units should be considered part of a larger governmental reporting entity for financial reporting purposes. The basic criteria are:

- the organization is legally separate (can sue and be sued in their own name)
- the Village holds the corporate powers of the organization
- the Village appoints a voting majority of the organization's board
- the Village is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Village
- there is fiscal dependency by the organization on the Village

Based on the aforementioned criteria, the Village of Rosedale has no component units.

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2007

1. Summary of Significant Accounting Policies (Continued)

C. Basic Financial Statements – Government–Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's police and fire protection, parks and recreation, public works and general administrative services are classified as governmental activities. The Village's water services are classified as business-type activities.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are presented on a consolidated basis by column and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Village's net assets are reported in three parts: invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The Village utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities. The net costs by function are normally covered by general revenue. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (public safety, public works and general administrative, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grant column reports capital-specific grants.

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net assets resulting from the current year's activities.

Program revenues – Program revenues included in the column labeled Statement of Activities are derived directly from Water System users as a fee for services; program revenues reduce the cost of the function to be financed from the Village's general revenues

D. Basic Financial Statements – Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The fund presented in the financial statements is described as follows:

Governmental Funds: Governmental Funds are those through which general governmental functions of the Village are financed. The focus of the governmental fund's measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses and balances of current financial resources) rather than upon net income. Expendable assets are assigned to funds according to the purpose for which they may be used. Current liabilities are

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2007

1. Summary of Significant Accounting Policies (Continued)

D. Basic Financial Statements – Fund Financial Statements (Continued)

assigned to funds from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period operations of the Village.

General Fund - The General Fund is the main operating fund of the Village. It is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue resources (other than assessments, expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Proprietary Fund Types: Proprietary Funds are accounted for on a flow of economic resources measurement focus. The accounting objectives are a determination of net income, financial position and changes in cash flow. All assets and liabilities associated with a Proprietary Fund's activities are included on its balance sheet. The following are the Village's Proprietary Funds:

Enterprise Fund - Used to account for operations that are financed and operated in a manner similar to private business enterprises where the costs (expenses, including depreciation) of providing water services to the general public on a continuing basis are financed through user charges.

E. Basis of Accounting

Basis of Accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It related to the timing of the measurements made regardless of the measurement focus applied.

Accrual: Both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements are presented on the accrual basis of accounting. Non-exchange revenues, including intergovernmental revenues and grants, are reported when all eligibility requirements have been met. Fees and charges, and other exchange revenues are recognized when earned and expenses are recognized when incurred.

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2007

1. Summary of Significant Accounting Policies (Continued)

E. Basis of Accounting (Continued)

Modified Accrual: The governmental fund financial statement is presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Intergovernmental revenues and grants are recognized when all eligibility requirements are met and the revenues are available. Expenditures are generally recognized when the related liability is incurred. Exceptions to this general rule include principal and interest on general obligation long-term debt, if any, is recognized when due, and employee vacation and sick leave, which are recognized when due and payable.

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from these estimates.

G. Budget Practices

The Village follows these procedures in establishing the budgetary data reflected in these financial statements:

1. A proposed budget is prepared and submitted to the Mayor and Board of Aldermen prior to the beginning of each fiscal year. The proposed budget is published in the official journal and made available for public inspection. A public hearing is called to obtain taxpayer comments.
2. The budget is adopted through passage of an ordinance prior to commencement of the fiscal year for which the budget is being adopted.
3. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require approval from the Board of Aldermen.
4. Budgets for the General and Special Revenue Funds are adopted on a GAAP basis therefore these funds utilize the same basis of accounting for both budgetary purposes and actual results. The Combined Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - for presents a comparison of budgetary data and actual results of operations for which budgets are legally adopted. Capital Projects Funds are budgeted over the life of the project and not on an annual basis therefore budgetary data for this fund has not been presented in the accompanying financial statements.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The level of budgetary control is total appropriations.

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2007

1. Summary of Significant Accounting Policies (Continued)

H. Defining Operating Revenues and Expenses

The Village's proprietary funds distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses of the Village's water fund consists of charges for services and the costs of providing those services, including depreciation. All other revenues and expenses are reported as nonoperating.

I. Cash and Investments

State statutes authorize the Village of Rosedale to invest in United States bonds, treasury notes and bills, or certificates or time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the state laws of the State of Louisiana, which operates a local government investment pool. Investments are stated at fair value.

J. Statement of Cash Flows

For purposes of the Statement of Cash Flows, the Proprietary Fund considers cash balances above the day to day needs and funds set aside for portfolio strategy reasons invested in demand deposits, certificates of deposit, obligations of the U. S. Treasury, federal agencies, or U. S. government instrumentalities with original maturities of 90 days or less to be cash equivalents. Investments in Louisiana Asset Management Pool (LAMP) are also considered cash equivalents. LAMP assets are restricted to maturities of 90 days or less, at balance sheet date.

K. Accounts Receivable

Bad debts are charged to operations in the year in which the account is determined uncollectible. If the reserve method of accounting for uncollectible accounts were used, it would not have a material effect on the financial statements.

L. Interfund Activity

Legally authorized transfers are included in the results of operations of both Governmental and Proprietary Funds. Advances between funds which are expected to be repaid are classified as the current receivable/liabilities, "Due to/from other funds".

The Village allocates to the Special Revenue and Enterprise Funds a percentage of salaries and wages and related costs of personnel who perform services for the Fire Department and Water System but were paid through the General Fund. During the year ending December 31, 2007, the Village allocated \$15,631 in salaries to those funds. The Special Revenue and Enterprise Fund allocations were classified as "Transfers In - General Fund.

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2007

1. Summary of Significant Accounting Policies (Continued)

M. Capital Assets

Capital assets purchased or acquired are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	40 Years
Land improvements	20 Years
Water distribution system	20 Years
Mowers, tractors and attachments	15 Years
Fire trucks	15 Years
Fire fighting equipment	10 Years
Light trucks & equipment	5 Years

N. Compensated Absences

Employees of the Village earn personal leave (vacation or sick leave) at various rates depending upon length of employment. The maximum leave time which may be accumulated is an amount equal to the number of days which can be earned by the employee during a twenty-four month period. Employees who resign or retire, or who are dismissed from employment shall not be paid for accrued leave.

Compensatory leave may be earned by a full-time employee and by the municipal clerk at time and one-half for overtime work and for work required on an observed holiday whenever the employee or clerk is not paid compensation for such work. Any employee who accrues two hundred forty hours of compensatory leave shall, for any additional overtime hours or work, be paid overtime compensation at time and one-half rate. Upon separation, each employee shall be paid the value of his accrued compensatory leave in a lump sum.

O. Government-wide and Proprietary Fund Net Assets

Government-wide and proprietary fund net assets are divided into three components:

- Invested in capital assets, net of related debt - consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
- Restricted net assets - consist of net assets that are restricted by the Village's creditors, by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by any other contributors.
- Unrestricted - all other net assets are reported in this category.

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2007

2. Deposits and Investments

Cash and Cash equivalents include bank accounts and short-term investments. See Note 1 (I) and (J) for additional cash disclosure information.

The Village of Rosedale is governed by the deposit and investment limitations of state law.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure the Village's deposits may not be returned. Deposits are exposed to custodial credit risk if they are either (a) uninsured and uncollateralized, or (b) uninsured and collateralized with securities held by the pledging financial institution or its trust department/agent but not in the name of the Village. State law requires that deposits be fully secured by federal deposit insurance or the pledge of securities owned by the bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the bank.

Deposits in financial institutions reported as components of cash and cash equivalents had a bank balance of \$ 82,899 at December 31, 2007 that were fully insured by federal deposit insurance.

Interest Rate Risk – Investments

The Village does not have a formal investment policy that limits investment maturities as a means of managing its' exposure to fair value losses arising from increasing interest rates. The Village's only investments held at December 31, 2007 include \$426,179 invested in the Louisiana Asset Management Pool, Inc. (LAMP) (see Summary of Significant Accounting Policies).

Investment Credit Risk – Investments

The Village has no investment policy that limits its investment choices other than investments allowable by state law (See Note 1 (I)). The LAMP portfolio includes only securities and other obligations in which local governments are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U. S. Treasury, the U. S. government or one of its agencies, as well as repurchase agreements collateralized by those securities. LAMP issues a publicly available financial report that included financial statements and required supplementary information for MPERS. The report may be obtained by calling 1-800-272-8162.

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2007

3. Intergovernmental Receivables and Revenues

Inter-governmental receivables and revenues at December 31, 2007 were as follows:

Receivables:	General Fund	Special Revenue Fire Protection	Total
Iberville Parish Sales Tax	\$ 28,945	\$ 7,874	\$ 36,819
State of Louisiana -			
Beer tax	253	-	253
Highway Maintenance	3,745	-	3,745
LGAP Grant	7,800	-	7,800
Village of Grosse Tete	-	460	460
	<hr/>		
Totals	\$ 40,743	\$ 8,334	\$ 49,077
	<hr/>		
Revenues:			
Iberville Parish Sales Tax -	\$ 377,083	\$ 122,220	\$ 499,304
Iberville Parish Sales Tax - 1%	67,240	-	67,240
State Tobacco Tax	1,314	-	1,314
State Beer Tax	959	-	959
State Act 17 Appropriations	20,000	-	20,000
State LGAP Grant	7,800	-	7,800
State Fire Insurance Rebate	3,397	-	3,397
	<hr/>		
Totals	\$ 477,794	\$ 122,220	\$ 600,014
	<hr/>		

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2007

4. Interfund Transactions

A summary of interfund receivables and payables at December 31, 2007 and interfund transfers during 2007 follows:

Interfund Receivables/Payables:	General Fund	Special Revenue Fire Protection	Enterprise Fund Water System
Due from other funds	\$ -	\$ -	\$ 75
Due to other funds	75	-	-
Totals	\$ 75	\$ -	\$ 75
Interfund Transfers In/(Out):			
Transfers In -			
Salaries	\$ -	\$ 4,350	\$ 11,281
Operating	-	-	2,000
Capital acquisitions	-	-	24,300
Totals	\$ -	\$ 4,350	\$ 37,581
Transfers (Out) -			
Salaries	\$ (15,631)	\$ -	\$ -
Operating	(2,000)	-	-
Capital acquisitions	(24,300)	-	-
Totals	\$ (41,931)	\$ -	\$ -

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2007

5. Capital Assets

A summary of the capital assets associated with the governmental funds are as follows:

	<u>Balance</u> <u>12/31/2006</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/2007</u>
Governmental Activities				
Non-depreciable: Land	\$ 151,373	\$ 0	\$ 0	\$ 151,373
Total Non-depreciable	<u>151,373</u>	<u>0</u>	<u>0</u>	<u>151,373</u>
Depreciable:				
Buildings	566,229	627	0	566,856
Improvements other than buildings	906,321	70,148	0	976,469
Machinery & equipment	800,627	38,219	(3,000)	835,846
Total Depreciable	<u>2,273,177</u>	<u>108,995</u>	<u>(3,000)</u>	<u>2,379,172</u>
Less: Accumulated depreciation				
Buildings	198,894	14,969	0	213,863
Improvements other than buildings	357,882	34,061	0	391,943
Machinery & equipment	490,514	58,491	(2,600)	546,405
Total	<u>1,047,290</u>	<u>107,520</u>	<u>(2,600)</u>	<u>1,152,211</u>
Net Book Value	<u>1,225,886</u>			<u>1,226,961</u>
Governmental Activities Capital Assets, net	<u><u>\$1,377,260</u></u>			<u><u>\$1,378,334</u></u>

Depreciation expense charged to various functions in the governmental funds is as follows:

General government	\$ 10,669
Public safety – police & fire	64,628
Public services	29,030
Culture & recreation	3,193
	<u>\$ 107,520</u>

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2007

5. Capital Assets (Continued)

A summary of proprietary fund type property, plant and equipment at December 31, 2007 follows:

Enterprise Fund - Water System:

	Balance <u>12/31/2006</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>12/31/2007</u>
Business-type Activities				
Non-depreciable - Construction in progress	\$ 44,035	\$ 0	\$ (44,035)	\$ 0
Total	44,035	0	(44,035)	0
Depreciable:				
Distribution system	1,104,311	116,085	0	1,220,396
Machinery & equipment	56,254	2,557	0	58,811
Total	1,160,565	118,642	0	1,279,207
Less: Accumulated depreciation				
Distribution system	515,887	45,723	0	561,610
Machinery & equipment	15,867	5,729	0	21,596
Total	531,754	51,452	0	583,206
Business-type Activities Capital Assets, net	<u>\$ 672,846</u>			<u>\$ 696,001</u>

Village of Rosedale, Louisiana
Notes to the Financial Statements
December 31, 2007

6. Pension Plans

Municipal Employees' Retirement System -

Plan Description Substantially all of the Village of Rosedale's full time employees participate in the Municipal Employees' Retirement System ("MERS") - Plan "A", a cost sharing multiple-employer defined benefit pension plan administered by the Louisiana Municipal Employee's Retirement System. All Village full-time employees are eligible to participate in the System. Employees who retire at or after age 55 with 30 years of credited service and at or after 60 with 10 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 % of their final compensation for each year of creditable service. Final compensation is the employee's average highest compensation for 36 consecutive months. Benefits fully vest on reaching 10 years of service. Vested employees may retire before age 60 and receive reduced retirement benefits. The System also provides death and disability benefits. Benefits are established by State statute. The Municipal Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for MERS. The report may be obtained by calling 1-225-925-4810.

Funding Policy The payroll for employees covered by the System for the year ended December 31, 2007 was \$ 94,990; the Village's total payroll was \$187,949. Covered employees are required by State statute to contribute 9.25% of their salary to the System. The Village is required by the same statute to contribute 16.25% (January through June) and 13.5% (July through December) of the employee's eligible compensation quarterly to the System. The contribution requirement for the year ended December 31, 2007 was \$22,830 which consisted of \$14,044 from the Village and \$8,787 from employees.

7. Risk Management

The Village purchases commercial insurance to protect against risk of loss in these areas: workers' compensation liability, general liability, law enforcement liability, public officials' errors and omissions, automobile liability and physical damage coverage and property fire coverage. There have been no significant reductions in coverage since the prior year

9. Economic Dependence

The Village of Rosedale received 82% of its total revenue from parish sales tax . Proceeds of the 1% sales tax are to be used for the purposes of opening, constructing, paving and improving streets, sidewalks, roads and alleys, constructing bridges, purchasing or constructing waterworks, sewers, drains, drainage canals, pumping plants, sewerage disposal works, light and power plants, gas plants, halls, jails, fire departments' stations, and equipment, hospitals, auditoriums, public parks, natatoriums, libraries, docks, wharves, river terminals and other public buildings, including the necessary equipment and furnishings there for. The 2/3% sales and use tax are dedicated to be used by the Village to pay the cost of capital outlay projects; to maintain and operate public facilities, to administer local governments, and to provide other lawful services. Additionally, proceeds of the 2/3% sales and use tax provided by the Iberville Parish Council are dedicated for fire protection for the Village.

REQUIRED SUPPLEMENTARY INFORMATION

Village of Rosedale, Louisiana
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>	<u>2006</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
				<u>Over (Under)</u>	<u>(Budgetary Basis)</u>
RESOURCES (INFLOWS):					
Taxes and licenses	\$43,400	\$48,600	\$51,871	\$3,271	\$50,912
Intergovernmental revenue	346,000	505,100	477,794	(27,306)	365,861
Charges for services	6,900	6,900	7,194	294	6,898
Fines & Forfeitures	6,000	3,000	4,375	1,375	5,312
Interest income	4,000	10,000	9,874	(126)	2,157
Miscellaneous	8,700	12,600	9,133	(3,467)	5,655
Sale of capital assets	0	0	0	0	4,007
Amounts Available for Appropriation	415,000	586,200	560,240	(25,960)	440,802
CHARGES TO APPROPRIATIONS -					
(OUTFLOWS)					
General administration	127,650	131,350	121,594	9,756	112,029
Public safety - Police	31,400	33,650	28,036	5,615	28,688
Public works - Streets & sanitation	118,700	170,900	174,334	(3,434)	112,607
Capital outlay	85,000	110,000	98,039	11,961	22,440
Total expenditures	362,750	445,900	422,002	23,898	275,764
Excess (Deficiency) of Resources Over					
Charges to Appropriations	52,250	140,300	138,238	(2,062)	165,038
OTHER FINANCING SOURCES (USES):					
Operating transfers (out)	(12,333)	(50,337)	(41,931)	8,406	(14,266)
Total Other Financing Sources (Uses)	(12,333)	(50,337)	(41,931)	8,406	(14,266)
Excess (Deficiency) of Resources Over					
Charges to Appropriations	39,917	89,963	96,307	6,344	150,771
Beginning Fund Balance	37,645	188,414	188,413	(1)	37,642
Ending Fund Balance	\$77,562	\$278,377	\$284,720	\$6,343	\$188,413

Village of Rosedale, Louisiana
 Budgetary Comparison Schedule
 Special Revenue Fund - Fire Protection
 For the Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>	<u>2006</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
				<u>Over (Under)</u>	<u>(Budgetary Basis)</u>
RESOURCES (INFLOWS):					
Taxes and licenses	\$0	\$0	\$0	\$0	\$0
Intergovernmental revenue	100,000	132,000	122,220	(9,780)	146,701
Interest income	4,000	8,500	8,238	(262)	4,479
Miscellaneous income	0	0	341	341	0
Sale of capital assets	0	0	1,500	1,500	0
Amounts Available for Appropriation	104,000	140,500	132,299	(8,201)	151,180
CHARGES TO APPROPRIATIONS					
(OUTFLOWS):					
Public safety - Fire	64,800	63,200	49,821	13,379	65,342
Capital outlay	0	12,150	10,955	1,195	40,023
Total expenditures	64,800	75,350	60,777	14,573	105,365
Excess (Deficiency) of Resources Over Charges to Appropriations	39,200	65,150	71,523	6,373	45,815
OTHER FINANCING SOURCES (USES):					
Operating transfers (in)	4,337	4,337	4,350	13	5,701
Total Other Financing Sources (Uses)	4,337	4,337	4,350	13	5,701
Excess (Deficiency) of Resources Over Charges to Appropriations	43,537	69,487	75,873	6,386	51,516
Beginning Fund Balance	116,041	155,048	155,048	(0)	103,532
Ending Fund Balance	\$159,578	\$224,535	\$230,921	\$6,386	\$155,048

OTHER SUPPLEMENTARY INFORMATION

Village of Rosedale, Louisiana
Schedule of Per Diem and Paid to the Mayor and Board Members
Year ended December 31, 2007

	Total
Mayor -	
Lawrence J. Badeaux	\$9,600
Members of the Board of Aldermen -	
Kevin Gant	4,800
Randel J. Badeaux	4,800
Phillip Faveroth, Jr.	4,800
	<u>14,400</u>
	<u>\$24,000</u>

Village of Rosedale, Louisiana
Schedule of Audit Findings
December 31, 2007

Current Year Findings:

A. Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the Village of Rosedale.
2. No significant deficiencies in internal control and no instances of noncompliance were disclosed in the report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the basic financial statements of the Village of Rosedale were disclosed during the audit.

B. Findings - Financial Statements Audit

There were no findings.

Village of Rosedale, Louisiana
Schedule of Prior Year Audit Findings
December 31, 2007

Prior Year Findings:

There were no prior year findings.